

PANAMA RAILROAD COMPANY.

[To accompany Bill H. R. No. 735.]

MAY 18, 1860.

Mr. WINSLOW, from the Committee on Naval Affairs, made the following

REPORT.

*The Committee on Naval Affairs, to whom was referred the memorial of the Panama Railroad Company, praying compensation for the transportation and furnishing supplies for General Walker's men, respectfully report :*

Some time in the year 1857, a number of men, mostly American citizens, engaged in military service with General Walker in Nicaragua and Costa Rica, capitulated at Rivas to Commander Davis, United States navy, of the armed sloop St. Mary. They were in a destitute condition and reduced to the lowest degree of want, and must have soon else been captured by the forces of Nicaragua and Costa Rica. A full account of this affair has been reported to Congress, and may be found in Ex. Doc. No. 24 of the 35th Congress, to which the committee, for greater certainty, refer. They were granted safe passage to Panama, and transported thither at the expense of the Costa Rican government, *en route* to the United States. By proclamation of the governor of Panama, they were prohibited from landing except for transit across the isthmus, and on the condition of passing immediately out of that territory. Destitute, without money, means, or clothing, their only reliance was upon the charity of the government of the United States and the assistance of its officers. Under these circumstances Commodore Mervine, commanding the Pacific squadron, in the absence of instructions, and believing that such course would meet with the approval of his government, applied to the Panama Railroad Company to arrange for their passage across the isthmus and thence to New York or New Orleans. Arrangements were accordingly entered into for the transportation of these men, three hundred and four in number, for the sum of seven thousand four hundred and seventy-five dollars, the usual rate for steerage passage, the company taking in payment Commodore Mervine's bill upon the Navy Department. The bill was, of course, not honored by the Secretary of the Navy, neither by acceptance nor payment, there

being no authority of law for such contract on the part of Commodore Mervine, nor means appropriated to discharge its conditions had there been. But the conduct of Commodore Mervine, it would seem, was satisfactory to the department, since in the report of the Secretary of the Navy to the President, in the documents accompanying the annual message at the first session of the thirty-fifth Congress, the Secretary informs the President that the company had voluntarily relinquished the personal responsibility of Commodore Mervine, and had put the bill at the disposal of the government; and he expresses his conviction that Congress should make reasonable provision for it. The committee feel bound to express also their entire approval of the course of Commodore Mervine, as creditable to him in every respect, and are of opinion that, situated as he was, any other course, or any neglect or refusal on his part to administer to the wants of these men, however misguided they may have been, and held as they were, at a distance from their home, *quasi* prisoners of war to a vessel under his command, might have subjected him, if not to censure, at least to animadversion. The Panama Railroad Company had, at various times, administered to the returning men of Walker's command, food, clothing, and medical treatment in its hospital, without any expectation of reward or reimbursement. On one occasion they transported, from Punta Arenas to Aspinwall and thence to New Orleans, one hundred and twenty-four of these persons, at the request of Costa Rica, for which they have not yet been reimbursed. The committee have reason to believe that the company has expended, in addition to its charges for transportation, upon these individuals, eight thousand dollars. The committee, approving the course of the Panama company, regret that they do not feel authorized to recommend repayment of their entire claim, amounting to about twenty thousand dollars, but they deem that justice and good faith require that the government of the United States should consummate the contract entered into by Commodore Mervine, and should pay his bill on the Navy Department for the sum of seven thousand four hundred and seventy-five dollars, with interest from the 10th day of June, 1857, and accordingly they report a bill to that effect, and recommend its passage.